

Titling Tips

December 2004

Titling Tips is a quarterly publication of the Missouri Department of Revenue, Driver and Vehicle Services Bureau, P.O. Box 100, Jefferson City, MO 65105-0100.

FIVE WAYS TO REDUCE REJECTS

Listed below are some of the most common errors made when applying for title. To help reduce the amount of applications rejected, please ensure these things are completed prior to applying for title.

- ✓ Liens released on or after July 1, 2003, **cannot** be released on the face of the Missouri Certificate of Title. The lien release must be notarized and released on the *Notice of Lien (NOL)* or *Lien Release* (DOR-4809) or business letterhead. If the lienholder is a business releasing the lien on their letterhead, the notarized lien release must contain the year, make, vehicle identification number, the date the lien was released (the date the lien was originally created is also suggested), and the signature of an authorized agent.
- ✓ The title assignment area on the back of the title must be completed.
 - ♦ All sellers and at least one purchaser must **print their names** and sign the back of the title.
 - ♦ The seller must indicate the odometer reading on the title.
 - ♦ The title assignment area must show the purchase date.
- ✓ Incorrect fees are submitted.

Fees due with application for title **and** NOL are:

Title application fee \$8.50
Title application processing fee \$2.50
NOL processing fee \$2.50
Total for complete transaction \$13.50

Fees due with application for title alone:

Title application fee \$8.50
Title application processing fee \$2.50
Total for complete transaction \$11.00

- ✓ The application for title is not signed by at least one owner.
- ✓ The original Manufacturer's Statement of Origin or assigned title is not submitted.

SECURE POWER OF ATTORNEY (DOR-3020S)

Section 301.610, RSMo, provides that all titles issued on or after July 1, 2003, must be mailed to the owner of the unit (unless other arrangements have been made between the owner and lienholder). A Secure Power of Attorney **can only** be used when the title is physically held by the lienholder unless the title has a mail-to recorded on the face to the lienholder or the lienholder submits a statement that the title was in their possession.

MOTORIZED BICYCLES (MOPEDS)

Sections 301.010 and 307.180, RSMo, define a motorized bicycle as any two-wheeled or three-wheeled device having an automatic transmission and a motor with a cylinder capacity of not more than 50 cubic centimeters, which produces less than three gross brake horsepower, and is capable of propelling the device at a maximum speed of not more than 30 miles per hour on level ground.

The Missouri Department of Revenue (department) does **not** title or register motorized bicycles.

Persons engaged in the business of selling motorized bicycles do not have to be registered

motor vehicle dealers. Any retail store or **dealer** that sells motorized bicycles is responsible for collecting the sales tax due at the time of sale.

Motorized bicycles are not subject to Missouri's financial responsibility laws, nor Missouri law requiring the operator to wear protective headgear. The operation of a motorized bicycle is prohibited on a public street unless the driver holds a valid operator's license. The operation of motorized bicycles on interstate highways is also prohibited.

IMPORTANT – FREE SUBSCRIPTION TO DEPARTMENT OF REVENUE INFORMATION

By subscribing to one or more of these services, you will receive:

- ✓ A monthly customized e-mail that provides timely titling information;
- ✓ Periodic e-mails relating to law changes, procedures, administrative rules, and reject issues; and
- ✓ Other important communications that will assist you.

For example, subscribers to the "lienholders" list will receive communications relating to titling and lien perfections but will not receive information relating to dealer licensure issues. **All subscribers will receive the "Titling Tips" and local tax chart updates on a quarterly basis.**

LISTSERV NAME	DESCRIPTION
Dealers	Issues that affect licensed motor vehicle/boat dealers
Lienholders	For anyone who commonly files liens on vehicles
Leasing	For motor vehicle leasing/rental companies
Salvage	For salvage business licensees
Towing	For towing companies who tow/title abandoned property
Insurance	For insurance companies who title salvaged vehicles
Titleservice	For licensed title services

To subscribe to an e-mail list service, send an e-mail to **majordomo@services.state.mo.us** with the message "subscribe (and the list service name)" in the body of your e-mail.

For example, to subscribe to the lienholders list service, enter "**subscribe lienholders**". Do not type anything else in the body of the message. Remove any automatic signatures you may have included and leave the subject line blank. Your e-mail addresses are not shared or used for any other solicitation.

To cancel your subscription at any time, follow the above steps except list "unsubscribe (and the list service name)" in the body of your e-mail.

TITLE ASSIGNMENTS

Listed below is important information that the dealer must complete when assigning a title to a customer:

1. List the dealership name as licensed with the department;
2. Sign and print the dealer agent's name;
3. List the dealer agent's position with the company; and
4. Record the sale date on the title assignment.

Titles received without this information will result in the customer being turned away from an office or a reject if submitted by mail.

MOTOR VEHICLE AND MARINECRAFT TITLING MANUAL

The Missouri Motor Vehicle and Marinecraft Titling Manual has been revised and posted on the department's website located at **www.dor.mo.gov/mvdl/motorv/titleman**. Please visit this site for the answers to most of your titling questions. The manual can be downloaded or printed for your quick reference.

NOTE: Several new laws relating to titling, which took effect August 28, 2004 and January 1, 2005, will be updated at a later time.

VEHICLES RETAINED BY OWNER AFTER PAYMENT OF A CLAIM RESULTING IN MORE THAN 75 PERCENT OF THE PRE-DAMAGED VALUE OF THE VEHICLE

Section 301.020, RSMo, provides that for claims paid on or after August 28, 2004, if the vehicle owner retains possession of a unit after settlement of a loss resulting from damages exceeding 75 percent of the pre-damaged fair market value (making the vehicle salvaged), **insurance**

companies must notify the vehicle owner (and lienholder if one exists) that he/she must apply for a salvage certificate of title on the unit. The vehicle owner/lienholder must also include the documents and fees required to obtain a salvage certificate of title or prior salvage certificate of title if the vehicle will be operated on public streets and highways. The insurance company must also notify the Director of Revenue by submitting a copy of a Notice of Salvaged Vehicle Titling Requirements (DOR-5043). The notification to both the owner and director must be no later than 30 days after the claim is paid.

DEALERS MUST FILE DELINQUENT SALES REPORTS IMMEDIATELY

Dealers with delinquent monthly sales reports for calendar year 2004 should submit their sales reports immediately. If a dealer has not submitted all required sales reports, their dealer license will not be renewed. The December 2004 report is required to be submitted by January 15, 2005.

ATTENTION TOWERS!! NEW LEGISLATION

Senate Bill 1233 provides for the following provisions effective January 1, 2005:

1. **STANDARDS FOR TOWING COMPANIES** - This act provides that towing companies performing tows of abandoned vehicles pursuant to Sections 304.155 (law enforcement requested tows) and 304.157 (nonconsensual private property tows) shall meet the following requirements:

NOTE: Second, third, and fourth-class counties are exempt from the towing standards section.

- A. Have a verifiable business address or storefront;
- B. Have a fenced, secure, and lighted storage lot or an enclosed, secure building for the storage of vehicles;
- C. Be available 24 hours a day, 7 days a week;
- D. Maintain an insurance policy or other form of security in the amount of \$500,000 per incident;
- E. Provide worker's compensation for all employees, if required to do so by law; and

- F. Maintain current motor vehicle registrations on all the tow trucks within the towing company's fleet (Section 304.154, RSMo).

2. **TOWER ONLINE ACCESS TO DEPARTMENT RECORDS** - This act modifies the towing statutes to allow towers to access the department's records online to determine the latest owner and lienholder of record for the abandoned property that was towed. If the vehicle has not been claimed within 10 days of the tow, the tower must notify the owner and lienholder of record. Providing the tower with immediate online access will expedite this notification process since they will no longer have to wait for law enforcement to submit the tow report to the department and for the department to provide the tower with the owner/lienholder information. (Sections 304.155.6 and 304.157).

NOTE: To have online access, the tower must have an account number and security access code assigned to them by the department. To receive an account number and access code, the tower may request an information packet/application from the Dealer Licensing Section at (573) 751-8343 or <http://dorx.mo.gov/mvdl/motorv/liendeal>. THERE IS NO FEE FOR THE ONLINE ACCESS.

3. **KANSAS CITY AND ABANDONED PROPERTY** This act allows Kansas City to adopt, by ordinance, regulations for the removal and sale of abandoned property by requiring:
 - A. The city to search the department's records to determine ownership of the abandoned property;
 - B. Notification to the owner/lienholder by mail advising of the towing and impoundment of the abandoned property;
 - C. Vehicles older than six years and more than 50 percent damaged by collision, fire, or decay and has a fair market value of less than \$200, must be held at least 10 days after the notice is sent before being sold to a licensed salvage or scrap business on an *Abandoned Property Bill of Sale* (DOR-4579); and
 - D. All other vehicles must be held at least 30 days after the notice is sent before being

sold on an *Abandoned Property Bill of Sale* (DOR-4579).

4. **LAW ENFORCEMENT TOWS** - This act authorizes a law enforcement officer to remove property abandoned on the right-of-way of an interstate highway in an urbanized area, (which is left unattended for 4 hours, instead of 10 hours) if the law enforcement officer determines that the abandoned property is a serious hazard to other motorists. The act also authorizes a law enforcement officer to remove property abandoned on the right-of-way of an interstate highway outside of an urbanized area, which is left unattended for 4 hours, instead of 48 hours, if the law enforcement officer determines the abandoned property is a serious hazard to other motorists (Section 304.155, RSMo).

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